What is claimed is:

1.   A method for trading odd-lots of a security in an
electronic market for trading securities, comprises
      determining whether an odd-lot exposure limit has been
exceeded for a market participant; and
      routing a received odd-lot order for execution or
delivery to a market participant whose odd-lot exposure limit has
not been exceeded and which is sufficient to satisfy execution of
the order.

2.   The method of claim 1 further comprising:
      determining whether an interval delay between
executions of odd-lots by a specified market maker has been
exceeded before routing a subsequently received odd-lot order for
execution to the specified market maker.

3.   The method of claim 1 further comprising
      decrementing the odd-lot exposure limit for the market
participant against which the received odd-lot order was executed
or delivered upon execution or delivery of the received order.

4.   The method of claim 1 wherein the electronic market
maintains a displayable quote size for the market maker for the
security traded in the market.

5.   The method of claim 1 wherein the displayable quote
size for the market maker in the security is not decremented in
response to the market maker satisfying the odd-lot order.

6.   The method of claim 1 wherein the odd allow order
becomes executable when the price of the odd-lot order is at the

3 best price in the market.

1 7. The method of claim 1 wherein the odd-lot exposure
2 limit is specified for the security.

1 8. The method of claim 1 wherein the odd-lot execution
2 manager is a separate mechanism for processing and executing
3 orders distinct from normal units of trading.

1 9. The method of claim 1 wherein the odd-lot execution
2 manager establishes an odd-lot order routing parameter of a
3 predetermined number of orders per firm.

1 10. The method of claim 1 wherein to determine the next
2 available market maker, the process retrieves the next market
3 maker and determines whether the next market maker has a
4 remaining odd-lot exposure limit that can satisfy the order.

1 11. The method of claim 1, further comprising:
2 suspending processing of odd-lot orders for the
3 security if the process determines that all exposure limits for
4 all market makers have been exceeded.

1 12. The method of claim 1 wherein the process remains
2 suspended until a market maker refreshes its odd-lot exposure
3 limit.

1 13. The method of claim 1 wherein if the exposure is not
2 exceeded then, when the odd-lot order becomes executable, the
3 odd-lot order will execute against the market maker.

1 14. The method of claim 1 further comprising:

2   decrementing the exposure limit for the market maker,
3   upon execution of the order and placing the market maker at the
4   bottom of a queue.

1   15.   The method of claim 1 wherein the process executes an
2   odd-lot order against a market maker if the market maker has
3   sufficient exposure limit to fill the odd-lot order.

1   16.   The method of claim 1 wherein for an odd-lot that is
2   part of a mixed lot having a round lot portion and the odd-lot
3   portion, the round-lot portion is executed, using a separate
4   mechanism from the mechanism that executes the odd-lot portion.

1   17.   The method of claim 16 wherein the odd-lot portion is
2   at the round-lot price against the next market maker in rotation
3   even if the round-lot price is no longer the best price in the
4   market.

1   18.   The method of claim 1, further comprising:
2   aggregating a number of odd lot executions for a
3   particular security to produce an aggregate round lot execution
4   comprised of odd-lot executions; and
5   decrementing an Quote/Order size upon execution of the
6   aggregate round lot execution, when the number of odd lots
7   executed equals a round lot.

1   19.   An electronic market for trading securities, comprises:
2   an order execution/routing manager that executes non-
3   directed orders against quoting market participant's
4   quotes/orders based on a priority;
5   a process to determine whether an order is a mixed
6   order or an odd lot order;

7   an odd-lot execution process that executes the odd-lot
8 portion of the mixed order or the odd-lot order, comprising:
9   a process to determine whether an odd-lot exposure
10 limit has been exceeded for a market participant; and
11   a process to route a received odd-lot order for
12 execution or delivery to a market participant whose odd-lot
13 exposure limit has not been exceeded and which is sufficient to
14 satisfy execution of the order.

1 20.   The electronic market of claim 19 further comprising:
2   a process to determine whether an interval delay
3 between executions of odd-lots by a specified market maker has
4 been exceeded before routing a subsequently received odd-lot
5 order for execution to the specified market maker.

1 21.   The electronic market of claim 19 further comprising
2   a process to decrement the odd-lot exposure limit for
3 the market participant against which the received odd-lot order
4 was executed or delivered upon execution or delivery of the
5 received order.

1 22.   The electronic market of claim 19 further comprising:
2   a quote manager process to maintain a displayable quote
3 size for the market maker for the security traded in the market.

1 23.   The electronic market of claim 22 wherein the
2 displayable quote size for the market maker in the security is
3 not decremented in response to the market maker satisfying the
4 odd-lot order.

1 24.   The electronic market of claim 19, further comprising:
2   a process to suspend processing of odd-lot orders for

3 the security if the process to determine whether an odd-lot

4 exposure has been exceeds determines that all exposure limits for

5 all market makers have been exceeded.

1 25. The electronic market of claim 24 wherein the process

2 remains suspended until a market maker refreshes its odd-lot

3 exposure limit.

1 26. A computer program product residing on a computer

2 readable medium for trading securities in an electronic market,

3 comprises instructions for causing a computer to:

4   determine whether a received order is a mixed order or

5 an odd lot order;

6   retrieve an odd-lot exposure limit for a next quoting

7 market participant and determining whether the odd-lot exposure

8 limit has been exceeded for a market participant; and

9   route a received odd-lot order for execution or

10 delivery to a market participant whose odd-lot exposure limit has

11 not been exceeded and which is sufficient to satisfy execution of

12 the order.